

# Senate File 75 - Introduced

SENATE FILE 75

BY WHITING

## A BILL FOR

1 An Act relating to grants for new remote workers who relocate  
2 to this state and who are employed by an out-of-state  
3 employer and creating and making appropriations to the new  
4 remote worker grant fund.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1. NEW SECTION.   15.221   New remote worker grant  
2 program.

3     1. a. The economic development authority shall, pursuant to  
4 section 15.106A, subsection 1, paragraph "o", establish a new  
5 remote worker grant fund for the purpose of providing grants to  
6 new remote workers pursuant to this section.

7     b. The fund may consist of any moneys appropriated by the  
8 general assembly for purposes of this section and any other  
9 moneys that are lawfully available to the authority, including  
10 moneys transferred or deposited from other funds created  
11 pursuant to section 15.106A, subsection 1, paragraph "o".

12    c. The authority shall use any moneys specifically  
13 appropriated for purposes of this section only for the purposes  
14 of this section.

15    d. Notwithstanding section 8.33, moneys remaining in the  
16 fund at the end of each fiscal year shall not revert to any fund  
17 and shall remain in the fund.

18    e. There is appropriated from the general fund of the state  
19 to the new remote worker grant fund for the new remote worker  
20 grant program the following amounts:

21     (1) For the fiscal year beginning July 1, 2019, seven  
22 hundred fifty thousand dollars.

23     (2) For the fiscal year beginning July 1, 2020, three  
24 hundred fifty thousand dollars.

25     (3) For the fiscal year beginning July 1, 2021, four hundred  
26 thousand dollars.

27     (4) For the fiscal year beginning July 1, 2022, four hundred  
28 fifty thousand dollars.

29     (5) For the fiscal year beginning July 1, 2023, five hundred  
30 thousand dollars.

31    2. As used in this section, unless the context otherwise  
32 requires:

33     a. "Coworking space" means a shared office space in which  
34 individuals that are not employed by the same organization work  
35 independently or collaboratively.

1     *b. "New remote worker"* means an individual who meets all of  
2 the following requirements:

3       (1) Is a full-time employee, as defined by the employer,  
4 of a business that is domiciled or has its primary place of  
5 business outside of this state.

6       (2) Performs the majority of the worker's duties for the  
7 business remotely from a home office or a coworking space  
8 located in this state.

9       (3) Becomes a full-time resident of this state on or after  
10 January 1, 2020.

11     *c. "Qualifying remote worker expenses"* means actual,  
12 substantiated costs that a new remote worker incurs for any of  
13 the following that are necessary to perform the remote worker's  
14 employment duties and that are not reimbursed by the employer:

15       (1) Relocation to this state.

16       (2) Computer software and hardware.

17       (3) Broadband access or upgrade.

18       (4) Membership in a coworking space or a similar space.

19     3. A new remote worker shall be eligible for a grant under  
20 this program for qualifying remote worker expenses in an amount  
21 not to exceed five thousand dollars per calendar year for a  
22 maximum of two calendar years.

23     4. Subject to funding, the authority shall award grants  
24 under this program on a first-come, first-served basis, with  
25 the following limitations on total grants:

26       *a.* Not to exceed seven hundred fifty thousand dollars in  
27 calendar year 2020.

28       *b.* Not to exceed three hundred fifty thousand dollars in  
29 calendar year 2021.

30       *c.* Not to exceed four hundred thousand dollars in calendar  
31 year 2022.

32       *d.* Not to exceed four hundred fifty thousand dollars in  
33 calendar year 2023.

34       *e.* Not to exceed five hundred thousand dollars in calendar  
35 year 2024.

1     *f.* To the extent funds remain available, not to exceed two  
2 hundred thousand dollars in any subsequent calendar year.

3     5. The authority shall adopt rules pursuant to chapter 17A  
4 to implement and administer this section.

5     6. The authority shall submit a report to the general  
6 assembly and the governor's office each year that moneys are  
7 appropriated to the fund established in this section that  
8 provides the total number of grants awarded, the amount of each  
9 grant, the state where each grantee's employer is located, the  
10 city and county in this state to which each grantee relocated,  
11 whether the new remote worker works out of the person's home  
12 or a coworking space, and if applicable, the city and county  
13 in which the coworking space is located. The report shall be  
14 submitted by January 31 of each year for the prior calendar  
15 year.

16                                   EXPLANATION

17                   The inclusion of this explanation does not constitute agreement with  
18                   the explanation's substance by the members of the general assembly.

19     This bill relates to grants for new remote workers who  
20 relocate to this state and who are employed by an out-of-state  
21 employer and creates and makes appropriations to the new remote  
22 worker grant fund.

23     The bill defines "new remote worker" as an individual who is  
24 a full-time employee of a business that is domiciled or has its  
25 primary place of business outside of this state, who performs  
26 the majority of the person's duties for the business remotely  
27 from a home office or a coworking space located in this state,  
28 and who becomes a full-time resident of this state on or after  
29 January 1, 2020.

30     Under the bill, a new remote worker is eligible for a  
31 grant for qualifying remote worker expenses in an amount not  
32 to exceed \$5,000 per calendar year. A new remote worker is  
33 eligible for a grant for a maximum of two calendar years.  
34 "Qualifying remote worker expenses" is defined in the bill as  
35 actual, substantiated costs that a new remote worker incurs

1 for relocation to this state, computer software and hardware,  
2 broadband access or upgrade, and membership in a coworking  
3 space. The expenses must be necessary to perform the remote  
4 worker's employment duties and cannot also be reimbursed by the  
5 employer. "Coworking space" is defined in the bill.

6 The bill requires the authority to establish a new remote  
7 worker grant fund for the purpose of providing grants to  
8 new remote workers. There is appropriated from the general  
9 fund of the state to the remote worker grant fund for the  
10 new remote worker grant program \$750,000 for the fiscal year  
11 beginning July 1, 2019, \$350,000 for the fiscal year beginning  
12 July 1, 2020, \$400,000 for the fiscal year beginning July 1,  
13 2021, \$450,000 for the fiscal year beginning July 1, 2022,  
14 and \$500,000 for the fiscal year beginning July 1, 2023.  
15 Notwithstanding Code section 8.33, moneys remaining in the fund  
16 at the end of each fiscal year shall not revert to any fund and  
17 shall remain in the fund.

18 Subject to funding, the authority is required by the bill to  
19 award grants on a first-come, first-served basis, not exceeding  
20 total grants of \$750,000 in calendar year 2020, \$350,000 in  
21 calendar year 2021, \$400,000 in calendar year 2022, \$450,000  
22 in calendar year 2023, and \$500,000 in calendar year 2024. To  
23 the extent funds remain available in subsequent calendar years,  
24 total grants cannot exceed \$200,000 in any calendar year.

25 The bill requires the Iowa economic development authority  
26 to adopt rules to implement and administer the requirements of  
27 the bill.

28 The authority must submit a report to the general  
29 assembly and the governor's office each year that moneys are  
30 appropriated to the fund providing details related to the  
31 grants and grantees. The report is due by January 31 of every  
32 year for the immediately preceding calendar year.